



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION VIII  
1860 LINCOLN STREET  
DENVER, COLORADO 80295-0699

AUG 16 1984

Ref: 8RC

Mr. James Johnson  
Grace Petroleum Corporation  
143 Union Boulevard, Suite 760  
Lakewood, Colorado 80228

*Jim -  
Please call  
me if you have  
questions.  
John Weller*

Dear Mr. Johnson:

On June 25, 1984, you were requested to submit Underground Injection Control (UIC) permit applications for the following wells:

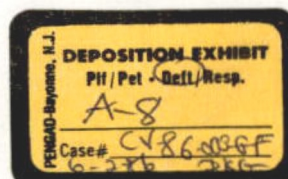
EPU 110XD;  
Buck Elk No. 2;  
Goings Government;  
Huber No. 1;  
Huber No. 2.

The date for compliance was set at July 30, 1984.

Per the prescriptions of 40 C.F.R. Section 144.25(b) our notice to you included a statement of the reasons for our decision to require you to apply for a permit; an application form; a statement setting a reasonable time within which you were to submit the applications to this office; and a statement noting that on the effective date of the UIC permit, your authorization by rule to operate the designated wells would no longer apply.

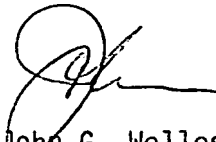
On August 6 this office received applications for the EPU 110XD, Buck Elk No. 2 and Goings Government wells along with notice that the Huber No. 1 and Huber No. 2 wells are producers and therefore not covered by the UIC program.

Your failure to respond on or before July 30, 1984 is a violation of the Safe Drinking Water Act. Also, as stated in 40 C.F.R. Section 144.21(a)(2) your authorization by rule to operate the above designated wells has expired effective July 31. Any underground injection, except as authorized by rule or permit issued under the UIC program, is prohibited. Any injection operations at the designated wells after July 30 and prior to the issuance of a UIC permit from EPA constitutes continued violation of the Safe Drinking Water Act and subjects you to the liabilities therein prescribed.



If you have any questions regarding this letter or the requirements under the UIC program, please contact Laura Clemmens at the EPA Denver Regional Office (303) 844-2731.

Sincerely,

A handwritten signature in black ink, appearing to be 'John G. Welles', written over a horizontal line.

John G. Welles  
Regional Administrator



AUG 14 1984

Ref: SRC

Mr. James Johnson  
 Grace Petroleum Corporation  
 143 Union Boulevard, Suite 760  
 Lakewood, Colorado 80228

Dear Mr. Johnson:

On June 25, 1984, you were requested to submit Underground Injection Control (UIC) permit applications for the following wells:

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 Buck Elk No. 2;  
 Goings Government;  
 Huber No. 1;  
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## CONCURRENCES

SYMBOL	8WMDW	8WMDW	8WMDW	8WMDW		
SURNAME	8/10/84	Croft	Prevette	Dobson		
DATE	8/10/84	8/10/84	8/10/84	8/10/84		

8WMDWU51-002



If you have any questions regarding this letter or the requirements under the UIC program, please contact Laura Clemmens at the EPA Denver Regional Office (303) 844-2731.

Sincerely,

Original signed  
John G. Welles

John G. Welles  
Regional Administrator

DHobson:gr:08/01/84  
rewritten RRLONG:08/10/84:5267G

8WMDWU51-003



AUG 7 1984

Cecil  
P 249 835 213

Ref: 8MO

Mr. Alvin W. Simpson  
Manager of Operations  
Murphy Oil USA, Inc.  
200 Peach Street  
El Dorado, Arkansas 71730

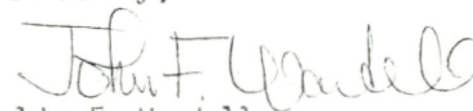
Dear Mr. Simpson:

Thank you for your letter requesting an extension of time for submittal of the applications for permits for salt water disposal wells in the East Poplar Field. As had previously been stated verbally by Mr. Sid Campbell of your office, an extension until August 31, 1984 would allow your staff to complete all applications. This revised deadline is acceptable to us.

You are advised, however, that the wells for which we requested applications will lose their authorization on August 31, 1984, if we have not received those applications by that date. You will be in violation of the Safe Drinking Water Act if the wells are operated beyond that date unless an application has been submitted. The penalty for such a violation can be as much as \$10,000 per day for each day of violation.

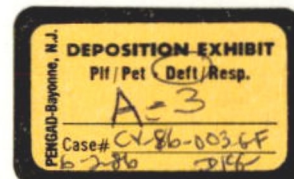
If your staff has any questions on the application process, please contact Bill Engle at (406) 449-5414.

Sincerely,

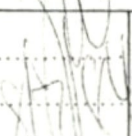




John F. Wardell  
Director  
Montana Office

ENGLE:fa/8/6/84/5441



## CONCURRENCES

SYMBOL		8/11/84					
SURNAME		Engle					
DATE		8/11/84					



## UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

DATE: August 6, 1984

*Pat Dir*  
*Dir RAC*  
*(B)*  
*Ginnys File*

SUBJECT: UIC Permit Calls - AJAX and Grace Petroleum

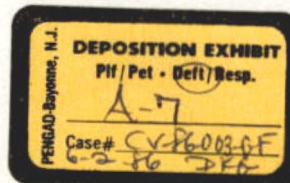
FROM: *Max*  
Max H. Dodson, Director  
Water Management Division

TO: The File

Called subject Companies on August 3 to remind them of their obligation to submit UIC permit applications and, because they had missed the July 30 date, they were in violation of the SDWA. Derrick Hobson accompanied me on the phone. AJAX claimed ignorance and stated general confusion on what we wanted; claimed he was a one-man operation and needed help. I advised him of the fact that two individuals were identified in the certified letter he signed for, who could have helped him fill out application. In conclusion, he would get in touch with Engle or Long. Jim Johnson from Grace was cooperative and said he had mailed their application certified mail on August 2. I checked with Drinking Water Branch clerical and no application had been received.

Talked to Vic Kimm later the same day and advised him of what we were doing. He said "great."

DRA briefed on phone conversation with Companies and she was advised to have John Welles sign letters regardless of response from Companies.

cc: Erenette  
Hobson*REF 8/7*



## UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

DATE: August 6, 1984

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FROM: *max*  
Max H. Dodson, Director  
Water Management Division

TO: The File

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cc: Fremette  
Hobson*RET 8/7*

Complete items 1, 2, 3 and 4.

Your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.

1. ☐ Show to whom, date and address of delivery.

2. ☐ Restricted Delivery.

3. Article Addressed to:  
James Johnson  
Grace Petroleum Corporation  
143 Union Boulevard, Suite 760  
Lakewood, Colorado 80228

4. Type of Service: Article Number  
☐ Registered ☐ Insured  
☒ Certified ☐ COD 642  
☐ Express Mail

Always obtain signature of addressee or agent and **DATE DELIVERED.**

5. Signature - Addressee  
X

6. Signature - Agent  
X *M. Cuss*

7. Date of Delivery

8. Addressee's Address (ONLY if requested and fee paid)

DOMESTIC RETURN RECEIPT

8WMDWU51-001





200 PEACH STREET  
EL DORADO, ARKANSAS 71730

July 31, 1984

Mr. John F. Wardell, Director  
Environmental Protection Agency  
Region 8, Montana Office  
Federal Building  
301 S. Park, Drawer 10096  
Helena, Montana 59626

Dear Mr. Wardell:

We have received your request for permit applications on our East Poplar Unit salt water disposal wells. You have asked that these be filed by July 30, 1984. Based on our current schedule it appears that the applications cannot be completed by this date and it is my understanding that Mr. Bill Engle of your office has given our Mr. Sidney Campbell approval to extend the deadline for applying to August 31. We would appreciate your confirming that the filing deadline of August 31, 1984, is satisfactory.

As you have suggested, we currently plan to file permit applications for all of our salt water disposal wells by the August 31, 1984, date. Your cooperation in this matter is appreciated.

Yours very truly,

Alvin W. Simpson  
Manager of Operations

AWS/ac

cc: Mr. Ray Reede  
Murphy Oil USA, Inc.  
Poplar, Montana

400 06 1984

MONTANA OFFICE

SPUR





JUN 25 1984

REF: 8WM-DW

Mr. James Johnson  
 Grace Petroleum Corporation  
 143 Union Boulevard, Suite 760  
 Lakewood, Colorado 80228

Dear Mr. Johnson:

You are hereby requested to submit permit applications for the following wells by July 30, 1984:

Field	Well Name
East Poplar	EPU 110XD Buck Elk No. 2 Huber No. 1 Huber No. 2
NW Poplar	Goings Government

EPA is requiring permit applications for these wells for the following reasons: 1) The agency has determined that salt water disposal (SWD) wells pose a significant threat to Underground Sources of Drinking Water (USDW's) in this area and is therefore permitting them as soon as possible, and; 2) EPA has received assertions from the Bureau of Indian Affairs (BIA) of ground water contamination as a possible result of salt water disposal activities on the Fort Peck Indian Reservation. Since the East Poplar and Northwest Poplar fields are the area of greatest concern to the tribe and the BIA, we are requesting that permit applications for wells from these fields be submitted first.

Please complete one of the enclosed application forms for each well listed by July 30, 1984. Be sure that all the applications are complete and that all required attachments are included. Submit the completed applications to:

Chief, Drinking Water Branch  
 U.S. Environmental Protection Agency (8WM-DW)  
 1860 Lincoln Street  
 Denver, Colorado 80295



## CONCURRENCES

SYMBOL	8MO	8MO						
SURNAME	Engl	Engl						
DATE	6-28-84	6-28-84						



The SWD wells listed above may continue to operate under current authorization by rule until:

The effective date of a permit (activities will then be authorized by permit);

The denial of a permit (the well will no longer be authorized to inject); or

The owner or operator fails to submit the permit application within the time period specified in this notice (at which time the authorization to inject will be revoked).

I encourage you to contact either Richard Long in the EPA Denver Regional Office (Phone: (303) 844-3914) or William Engle in the EPA Montana Operations Office (Phone: (406) 449-5414) as soon as possible if you have any questions.

Sincerely yours,

*John F. Wardell*  
John F. Wardell, Director,  
Montana Office

Enclosures: Permit Application Forms

UNITED STATES POSTAL SERVICE  
OFFICIAL BUSINESS

SENDER INSTRUCTIONS

- Put your name, address, and ZIP Code on the back of the envelope.
- Complete items 1, 2, 3, and 4 on the back of the envelope.
- Attach to front of article if space allows.
- Otherwise attach to back of article.
- Enclosed article "Return Receipt" is subject to return.

RETURN  
TO

- STICK POSTAGE STAMPS TO ARTICLE TO COVER FIRST CLASS POSTAGE.  
LIGHTED MAIL FEE AND CHARGES FOR ANY REQUESTED SPECIAL SERVICES (see form)
1. If you want the receipt postmarked, stick the gummed stub on the top portion of the address side of the article, leaving the receipt attached and prepared the article is sent after service window is closed.
  2. If you do not want this receipt postmarked, stick the gummed stub on the bottom of the address side of the article, date, detach and retain the receipt and send the article.
  3. If you want a return receipt, write the certified mail number on the return receipt and attach it to the back of the article. The return receipt will be sent to you by the post office.
  4. If you want delivery instructions to the addressee, write them on the back of the article and attach them to the back of the article.
  5. If you want the article to be delivered to the addressee, write the address on the back of the article and attach it to the back of the article.
  6. If you want the article to be delivered to the addressee, write the address on the back of the article and attach it to the back of the article.



PS Form 3811, July 1982

SENDER: Complete items 1, 2, 3, and 4.  
Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

- The following service is requested (check one).  
☐ Show to whom and date delivered .....  
☐ Show to whom, date, and address of delivery .....  
☐ RESTRICTED DELIVERY .....  
(The restricted delivery fee is charged in addition to the return receipt fee.)

TOTAL \$

3. ARTICLE ADDRESSED TO: *James Johnson*  
*Grace Petroleum Corporation*  
*143 Union Blvd., Suite 760*  
*Lakewood, CO 80228*

4. TYPE OF SERVICE: ☐ REGISTERED ☐ INSURED  
☒ CERTIFIED ☐ COD  
☐ EXPRESS MAIL  
ARTICLE NUMBER *P249835166*

(Always obtain signature of addressee or agent)

I have received the article described above.

SIGNATURE ☐ Addressee ☐ Authorized agent

*M. Criss*

5. DATE OF DELIVERY POSTMARK  
(may be on reverse side)

6. ADDRESSEE'S ADDRESS (Only if requested)

7. UNABLE TO DELIVER BECAUSE: 7a. EMPLOYEE'S INITIALS

RETURN RECEIPT

★ GPO: 1982-379-593

P 249 835 166

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—  
NOT FOR INTERNATIONAL MAIL  
(See Reverse)

SENT TO		<i>James Johnson</i>
STREET AND NO.		<i>143 Union Blvd., Suite 760</i>
P.O., STATE AND ZIP CODE		<i>Lakewood, CO 80228</i>
POSTAGE		\$
CONSULT POSTMASTER FOR FEES	CERTIFIED FEE	\$
	SPECIAL DELIVERY	\$
	RESTRICTED DELIVERY	\$
	OPTIONAL SERVICES	
	RETURN RECEIPT SERVICE	\$
	SHOW TO WHOM AND DATE DELIVERED	\$
	SHOW TO WHOM, DATE, AND ADDRESS OF DELIVERY	\$
SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY	\$	
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	\$	
TOTAL POSTAGE AND FEES		\$
POSTMARK OR DATE		<i>6/25/84</i> JUN 29 1984

PS Form 3800, Apr. 1976



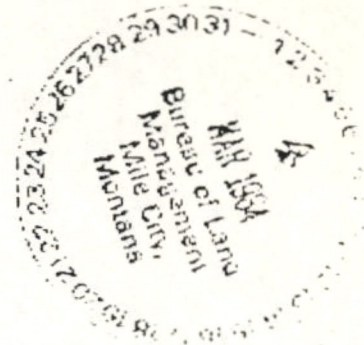


UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF INDIAN AFFAIRS

P. O. BOX 637  
FORT PECK AGENCY  
POPLAR, MONTANA 59255

February 27, 1984

Land Operations



Bureau of Land Management  
Miles City Dist. Office  
P.O. Box 940  
Miles City, Montana 59301

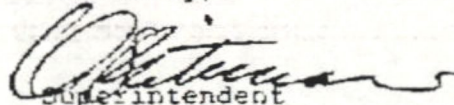
Dear District Manager:

The Bureau of Indian Affairs along with the Ft. Peck Tribes is concerned with all possible fresh water aquifers.

The Judith River is considered a possible fresh water aquifer. For this reason, we will no longer consider the Judith River as a saltwater disposal zone. We are also requiring the use of surface casing for all new wells, through the Judith River.

We propose the Lakota, Dakota or deeper formations for all new saltwater disposal wells.

Sincerely,

  
Superintendent



Permit Application & Attachments  
(P&A Approval Request)

Correspondence to EPA

Well Located: SESW 11 029N 050E  
FORT PECK  
POPLAR, NW, ROOSEVELT County  
GOINGS GOVT  
MT000008  
MT2008-0008



RECORD OF  
COMMUNICATION

☒ PHONE CALL ☐ DISCUSSION ☐ FIELD TRIP ☐ CONFERENCE  
☐ OTHER (SPECIFY)

(Record of item checked above)

TO: Dane Anderson  
Grace Petroleum

FROM: Laura Clemmens

DATE 4-10-85

TIME 8:30

SUBJECT

Temporary Injection - Goings Gov't #1 - Denial

SUMMARY OF COMMUNICATION

After much thought, I decided not to allow the temporary injection into the Goings (see attached draft letter). I called Dane and explained why I decided not to go forward with the temporary injection:

① Weaken the enforceability of the permit. What if casing is not repairable? Our insistence that it be repaired looks groundless if we allowed the injection without it for a period of time. We'd be hard pressed to force them to P+R this well in that case.

② Action would be resource intensive - would have to grant an emergency permit - get Max to sign. Has taken too much time already.

③ Appears bad, with enforcement case pending, to be granting special favors to Grace, even though they have been most cooperative.

CONCLUSIONS, ACTION TAKEN OR REQUIRED

ACTION: Grace will proceed w/ workover plans & will try to get work done as soon as possible. I will 'hop to it' as soon as they submit their workover proposals.

INFORMATION COPIES

TO: Crotty, Ehler, File, Osborne, Stolz



<b>RECORD OF COMMUNICATION</b>		<input checked="" type="checkbox"/> PHONE CALL <input type="checkbox"/> DISCUSSION <input type="checkbox"/> FIELD TRIP <input type="checkbox"/> CONFERENCE <input type="checkbox"/> OTHER (SPECIFY) _____	
		(Record of item checked above)	
<b>TO:</b> Dane Anderson Grace Petroleum	<b>FROM:</b> Laura Clemmens	<b>DATE</b> 4-4-85	<b>TIME</b> 3:30
<b>SUBJECT</b> Interpretation of Injection Profile - Tubing/Pkr Injection			
<b>SUMMARY OF COMMUNICATION</b> Well: Goings Gov't #1  <p>On Tuesday, 4/2 Dane had picked up the permits for the Goings + the EPU 110-XD. At that time, he asked if, temporarily, they could inject down the tubing + packer in Goings until workover could be approved to repair casing. I told him I'd check on it. An injection profile had been performed on the tubing + packer on 2/7/85. Dane had briefly explained it to me, but I wasn't well versed. Pat Crotty stated that if Grace could prove fluid was confined to injection zone + if Grace monitored injection <sup>volume +</sup> pressure, reporting <u>any</u> deviations to EPA, they could inject temporarily.</p> <p>I asked Gus to review injection profile, but he said he'd feel more comfortable if an objective rep. from Gearhart interpreted the logs for us.</p>			
<b>CONCLUSIONS, ACTION TAKEN OR REQUIRED</b>  I called Dane + explained that if we could get a Gearhart rep. to explain the logs + to give us a written statement on the confinement of fluids to the injection zone, that we'd let them inject for a max. of 30 days until the <u>workover</u> was started. Dane agreed, will set something up for Monday.			
<b>INFORMATION COPIES</b> <b>TO:</b> Crotty (Goings File) Gus Stolz			